

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

original

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In re :

Chapter 11 Case No.

:

LEHMAN BROTHERS HOLDINGS INC., *et al.*, :

08-13555 (JMP)

:

Debtors. :

(Jointly Administered)

:
-----X

**NOTICE UNDER LOCAL RULE x? TO CALL DOUGLAS LAMBERT TO
TESTIFY UPON THE BANKFIX PROPOSAL
WITH ATTACHED STATEMENT**

SEVERAL WEEKS AGO, THE COURT ADVISED THIS PARTY THAT THERE
WAS A LOCAL RULE REQUIRING ADVANCED NOTICE. AFTER AN
UNSUCCESSFUL SEARCH, THIS PARTY MADE 2 REQUEST
TO COUNSEL FOR THE DEBTOR TO IDENTIFY THE RULE
NUMBER. AS OF THIS MORNING, NOTHING IN THE
WAY OF A REPLY. AS THE LAMBERT DECLARATION WAS
JUST FILED, THIS NOTICE IS BEING PROVIDED.

RESPECTFULLY


WILLIAM KUNTZ, III

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SEPT 21, 2010

NEW YORK CITY

FILED
U.S. BANKRUPTCY COURT
2010 SEP 21 P 1:28
S.D. OF N.Y.

Sept 19, 2010

PREPARED STATEMENT OF WILLIAM KUNTZ, III
LEHMAN BROTHERS HOLDINGS 08-13555

YOUR HONOR, JUDGE PECK

A COUPLE OF HEARINGS AGO, YOU TOLD ME THAT THIS CASE WAS NOT ABOUT ME¹. YOU ALSO ADMONISHED ME ABOUT BEING CONCERNED ABOUT BEING BUSHWACKED² BY WEIL, GOSHAL ON MY CLAIMS. THE SECOND ISSUE IS NOW GOING TO BE RESOLVED, PERHAPS NEXT MONTH.

WITH REGARDS TO THE FIRST, I THOUGHT ABOUT THIS MOST OF THE SUMMER AND I WOULD RESPECTFULLY DISAGREE. THIS CASE IS ABOUT ME AND THOUSAND OF OTHER SMALL INVESTORS WHOSE LIVES AND RETIREMENT PROSPECTS HAVE BEEN NEEDLESSLY UPSET BY THE RECKLESS GREED OF LEHMAN BROTHERS.

WE ARE NOW HERE TODAY, WHERE THE DEBTOR WANTS TO SHOVEL HUNDREDS OF MORE MILLIONS INTO IT'S BANKING UNITS. I THINK T HAT IT GOES WITHOUT SAYING THAT EVERY PRIOR ADVANCE OF FUNDS WAS COATED WITH THE SO CALLED 'BUSINESS JUDGEMENT RULE' THAT THE DEBTORS USE TO GET TO THE FINANCIAL GOAL LINE.

IN THE REAL WORLD, OUTSIDE OF THIS COURTROOM, ALL I CAN SEE IN TERMS OF REAL RESULTS SO FAR, ASIDE FROM THE SMOKE AND MIRRORS AND CAREFULLY CRAFTED SPIN THAT GOES OUT TO THE 4TH ESTATE, IS

¹ Page 126. Line 6, Transcript of March 17, 2010

² Page 125, Line 17-18, Transcript of March 17, 2010

THAT THE DEBTOR LOST ABOUT \$750 MILLION ON THE FORECLOSURE OF THE BUILDING IN BOSTON AND THAT THE DEBTOR NOW OWNS A BUILDING IN STAMFORD, CONN WHICH SITS EMPTY. IT'S IRONIC TO ME THAT THOSE CLAIMS WHICH THE COURT APPROVED AS ALLOWED TO SECURITY PACIFIC <BANK OF AMERICA> WERE PURCHASED BY BARCLAYS, WHICH THE DEBTORS COMPLAIN TOOK UNDUE ADVANTAGE OF YOUR HONOR AND THE LEHMAN ESTATE AND BUFFUDLED THE LEHMAN LAWYERS. AS I RECALL, THERE WAS NOBODY ELSE IN THE WORLD THAT WOULD HAVE ASSUMED THAT RISK THAT WEEK.

WHILE I WAS A RETAIL DEPOSITOR OF BARCLAYS WHEN I WAS IN SCHOOL IN ENGLAND AND ALSO HERE IN NEW YORK AND DEPLORE THE 'HIGH STREET SNOBBERY' THAT BARCLAYS REPRESENTS, I THINK THAT THEY ARE TO BE APPLAUDED. FROM WHAT I UNDERSTAND, THE COURT DID NOT HAVE TO APPROVE THIS RUSHED TRANSACTION AND COULD HAVE LEFT THE PROBLEM IN THE HANDS OF THE FEDERAL RESERVE BANK.

THE DEBTOR JUST DOES NOT YET 'GET IT' THAT THE MAKING MONEY BY LENDING IT OUT IS A FAILING MODEL IN OUR CURRENT ECONOMY AND I SEE NOTHING THAT LEHMAN HAS DONE IN THE 2 YEARS THAT SHOWS ANY KIND OF CONSTRUCTIVE THINKING. FOR EXAMPLE, I UNDERSTAND THAT LEHMAN HAS A STALLED RESORT IN THE TCI³ ISLANDS.

³ I RECALL I MENTIONED THIS BEFORE, BUT WAS MISTAKEN IN SAYING IT WAS IN THE CAYMAN ISLANDS. IT IS IN FACT IN THE TURK AND CAICOS ISLANDS. I THINK IT IS CALLED Molasses Reef. RECENTLY, THERE HAS BEEN A SMALL BANKING PROBLEM THERE AND A MERE \$15 MILLION IN DEPOSITS WOULD HAVE RE-OPENED THE BANK AND GIVEN LEHMAN A FACE-SAVING GESTURE TO THE OTHERWISE WORLD WIDE FIACSO THAT OCCURRED IN LATE 2008. <http://www.suntci.com/molasses.asp>

FROM WHAT I CAN TELL, NOTHING HAS BEEN DONE BY THE DEBTOR ON THIS PROPERTY⁴. I DO UNDERSTAND THAT THE DEBTOR IS TRYING TO GRAB A PROPERTY IN HAWAII ALSO RUN BY THE SAME DEVELOPER.

IF SOMEBODY WAS PAYING ATTENTION AT ALL, LEHMAN WOULD HAVE ACQUIRED THIS BANK WHEN THE OPPORTUNITY FIRST OFFERED ITSELF.

NOW IF THE DEBTOR DOES NOT CARE TO RISK FUNDS OVERSEAS, THERE ARE A FEW BANKS IN SOUTH FLORIDA THAT MIGHT BE ACQUIRED FOR NOMINAL SUMS. NEEDLESS TO SAY, MOST PEOPLE WOULD AGREE THAT SOUTH FLORIDA⁵⁶

PROVIDENCIALES, Turks and Caicos (AP) — The global financial meltdown turned an idyllic Atlantic island into the site of an ugly dispute Thursday when hundreds of Chinese laborers on a stalled resort project allegedly detained Israeli contractors
<http://www.flyvertalk.com/forum/newsstand/879539-ritz-carlton-molasses-reef-update.html>
<http://www.developerimplode.com/Molasses-Reef-Turks-Caicos-12-20-2008.html>

⁴ Logwood-Gencom Announce Closing of Senior Debt Facility by Lehman Brothers for New 125-
<http://www.allbusiness.com/construction/nonresidential-building/5402848-1.html>

Crisis in paradise: Economic meltdown creates ghost resorts in the Caribbean

http://www.usatoday.com/travel/destinations/2008-11-24-caribbean-ghost-resorts_N.htm

⁵ Four banks fell to two from three stars: Anchor Commercial Bank of Juno Beach, Enterprise National Bank of North Palm Beach, Flagler Bank of West Palm Beach and Paradise Bank of Boca Raton.

⁶ **New Yorkers becoming ex-New Yorkers, new survey finds**

October 27, 2009 at 12:26 pm by Eric Anderson

The Empire Center for New York State Policy in a study released today finds that New York lost more residents between 2000 and 2008 to other states than any other state. New York had a net domestic migration outflow of more than 1.5 million people, or 8 percent of the population...Most of those who moved went South, some 60 percent of the total, with Florida alone attracting a third

IS A MORE ATTRACTIVE MARKET THAN UTAH.

I HAD ALREADY SUGGESTED THAT THE CAPITAL SHORTFALL THAT THE
FEDERAL GOVERNMENT WANTS TO BE MADE UP COULD BE DONE

WITH SOME OF THE 'CROWN JEWEL' INVESTMENTS THAT THE COURT
HAS ALREADY BEEN DUPED INTO APPROVING. FOR EXAMPLE, THE
BILLION DOLLARS IN MORTGAGES ON THE PARK AVE BUILDING.

THAT TO ME WOULD BE BETTER THAN A BILLION DOLLARS IN CASH.

IN LIGHT OF THE RECENT CLAIMS OBJECTION AND IN THE INTEREST OF
JUDICIAL ECONOMY, I HAVE WITHDRAWN SEVERAL OBJECTIONS AS
IT MAKES LITTLE LOGIC FOR THE COURT TO CONSIDER SMALL OBJECTIONS
WHEN IT MAY IN TURN RULE ON MY STANDING. ON THE OTHER HAND, THE
COURT MIGHT WISH TO RECUSE ITSELF FROM THAT DECISION, CONSIDING
THE IMPLICATIONS THAT EVEN BRINGING THE MOTION MIGHT HAVE
ON THE CONTINUED ENGAGEMENT OF WEIL, GOTSHAL IN THIS CASE.

RESPECTFULLY,


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SEPT 19, 2010

HYANNIS, MASS
